

Board of Municipal Utilities
Meeting Minutes
December 7, 2021
201 Miller Road
Avon Lake, Ohio

Call to Order – Roll Call

The meeting was called to order at 6:30 PM. The meeting was held using web-based video conferencing technology and streamed live over Facebook.

Present: Mr. Abram, Mr. Dzwonczyk, Mr. Rush, and Mrs. Schnabel.

Excused: Mr. Phillips.

Also present: CUE Munro, Technical Support Specialist Collins, Water Filtration Plant Manager Yuronich, Mayor Zilka, and Councilman Spaetzel.

Mr. Dzwonczyk announced that Board Member Paul “Randy” Phillips died on Sunday, December 5, 2021 after a long illness. He said that Mr. Phillips was a member of the Board for 15 years and the Board will greatly miss his wise counsel and legal expertise. Mr. Abram said that Mr. Phillips always had the best interests of the Board in mind, and he provided excellent legal advice especially during the LORCO project. Mr. Rush said that Mr. Phillips was very knowledgeable and he helped the Board considerably with amendments to contracts and motions that came before the Board. He added that Mr. Phillips will be missed as a person and for his legal expertise. Mrs. Schnabel said that Mr. Phillips was a very special person and he will be missed. The Board took a brief moment of silence in honor of Mr. Phillips and his passing.

Approve Minutes

Chairman Dzwonczyk presented the Minutes of the November 16, 2021 work session meeting. With no changes, additions or corrections noted, he ordered that the minutes stand and be distributed as presented.

Chairman Dzwonczyk presented the Minutes of the November 16, 2021 regular meeting. With no changes, additions or corrections noted, he ordered that the minutes stand and be distributed as presented.

Public Speakers

Mayor Zilka expressed his sadness in the passing of Mr. Phillips. He said 15 years is a good length of service on the Board, and Mr. Phillips’ expertise was well known throughout northeast Ohio. He stated that Mr. Phillips will be missed on behalf City Council and the residents of the City of Avon Lake.

Correspondence

None.

Expenditures

Following review of expenses date December 7, 2021, for funds and amounts as follows, Mr. Abram moved, Mr. Rush seconded, to approve the expenditures of December 7, 2021:

Water Fund 701	\$	435,682.41
Wastewater Fund 721	\$	448,663.85
MOR Fund 703	\$	37,651.71
MOR Fund 762	\$	11,017.05
West Ridge Interconnect Fund 702	\$	237.70
LORCO Fund 749	\$	13,737.97

Ayes (per voice vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

Organization Meeting

Mr. Rush moved, Mr. Abram seconded, to appoint Mr. John Dzwonczyk as Chairman for the next two years without additional compensation other than as provided by the Charter.

Ayes (per voice vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

Mr. Dzwonczyk moved, and Mr. Abram seconded, to appoint Mr. Tim Rush as Acting Chairman for the next two years without additional compensation other than as provided by the Charter.

Ayes (per voice vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

Mr. Dzwonczyk moved, and Mr. Rush seconded, to appoint Robert Munro as Clerk of the Board for the next two years without additional compensation beyond his regular salary.

Ayes (per voice vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

Mr. Abram moved, and Mrs. Schnabel seconded, that in the event of the CUE's absence, the CUO be appointed Acting Clerk of the Board for the next two years without additional compensation.

Ayes (per voice vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

Board Committee Assignments

Committee Designation	Current Board Appointee	Alternate Board Appointee
Wholesale Customer	Mr. Dzwonczyk	Mr. Rush

Board Compensation	Mr. Dzwonczyk	
LORCO	Mr. Abram	Mr. Rush
Communications	Mrs. Schnabel	Mr. Abram
Finance Committee	Mr. Rush	
Human Resources	Mr. Rush	
Sewer Committee	Mr. Dzwonczyk	

Set Board Meeting Times and Place

Mrs. Schnabel moved, and Mr. Rush seconded, that the Board of Municipal Utilities maintain their regular meeting nights as the first and third Tuesday of every month at 6:30 PM (or immediately after the Work Session) for 2022 and 2023 and that all meetings be held at the Avon Lake Regional Water Office at 201 Miller Road, Avon Lake, unless otherwise noted. Mrs. Schnabel further moved that the Board continue its tradition of forgoing the second meeting in July and the first meeting in August for a summer recess.

Ayes (per voice vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

Mrs. Schnabel moved, and Mr. Rush seconded, that the Board of Municipal Utilities hold its work session prior to its regular meeting on the third Tuesday of every month and begin at 6:00 PM for 2022 and 2023 and that all meetings be held at the Avon Lake Regional Water Office at 201 Miller Road, Avon Lake, unless otherwise noted.

Ayes (per voice vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

LORCO Cooperative Agreement Amendment

The CUE informed the Board that in the current LORCO cooperative agreement with ALRW, the first tap fee payment in the amount of \$172,048.00 was due on November 18, 2021. He said staff is currently working with LORCO's accountant and legal counsel on identifying the method by which LORCO will make this payment. LORCO has requested to defer this payment until January 18, 2022. He said staff recommends approving this request with the caveat that additional interest will be added to this payment from November 18, 2021 through January 18, 2022. Mr. Munro said staff also recommends reducing the monthly LORCO advance from \$5,000.00 per month to \$0.00 per month.

Mr. Abram moved, and Mr. Dzwonczyk seconded, to amend the LORCO Cooperative Agreement to modify the due date of the first tap fee payment of \$172, 048.00 until January 18, 2022 and to include additional interest charges.

Ayes (per voice vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

Mr. Abram moved, and Mr. Rush seconded, to amend the LORCO Cooperative Agreement to reduce the \$5,000 monthly advance to \$0.00 per month effective January 1, 2022.

Mr. Abram said in 2009 there was an advance of \$20,000 per month to LORCO. He said it took 12 years to get the advance down to zero. He is happy to make the motion to end the advance. The Chairman said he joins Mr. Abram and he is glad to see the monthly stipend eliminated. The Chairman said it was quite a long time and quite a bit of money subsidizing the system but now it looks like there is a lot of construction from Avon Lake to LORCO and the project should be bearing fruit before too long.

Ayes (per voice vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

2022 Budgets

Mr. Munro presented the proposed 2022 balanced budgets to the Board for their review and consideration. He said that for the second consecutive year the budgets are presented with no increase for water or wastewater rates. He stated that this is largely in part due to the decisions that the Board makes in their fiduciary duties and staff in their operational responsibilities. He said this is welcome news to the residents of Avon Lake and all customers who pull water from Avon Lake Regional Water, and while operational costs have increased with inflation, staff has been able to hold rates for one more year. Mr. Munro said staff recommends the approval of the 2022 budgets as presented to the Board.

Mrs. Schnabel moved, and Mr. Rush seconded, to approve the following 2022 budgets:

<i>Fund 701 Water</i>	
<i>Personnel</i>	\$3,327,222
<i>Other</i>	\$8,882,497
<i>Fund 704 Water Construction</i>	\$2,250,000
<i>Fund 706 Water Debt Service</i>	\$3,867,795
<i>Fund 721 Wastewater</i>	
<i>Personnel</i>	\$2,668,333
<i>Other</i>	\$5,775,043
<i>Fund 724 Wastewater Construction</i>	\$540,000
<i>Fund 725 Trunk Sanitary Sewer</i>	\$31,473
<i>Fund 727 Wastewater Debt Service</i>	\$4,589,284
<i>Fund 765 Lateral Loan</i>	\$0.00
<i>Fund 702 West Ridge Interconnect</i>	\$88,104
<i>Fund 703 ETL1 MOR</i>	\$2,853,149
<i>Fund 762 ETL2 MOR</i>	\$4,866,345
<i>Fund 749 LORCO</i>	
<i>Personnel</i>	\$50,000
<i>Other</i>	\$2,036,188

The Chairman commended Mr. Munro and staff for keeping the budget balanced. He said the total of \$41 million for the total budget represents almost three times the amount when he came to the Board. He stated that this represents growth and efficiency in the utility.

Ayes (per voice vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

Project Updates

WFP & ETL Design Services: Mr. Munro said that staff visited the Ashtabula, Ohio Water Filtration Plant on Thursday, December 2nd with representatives from HDR. He said the facility is finishing an \$11-million capital improvement plan that includes new settling basins and filters. The facility is the first in Ohio to install plate settlers for settling basins. He said that ALRW has tube settlers in WFP settling basins and have high-rated them to increase capacity. The new stainless steel plate settlers would provide the plant with an increase in capacity while maintaining a similar footprint in the basins. He said staff will be working with HDR to evaluate the feasibility of replacing the current tube settlers with plate settlers to further increase capacity at the plant. Mr. Munro said staff has asked HDR for a proposal to handle bidding and construction services for the upcoming improvements at the WFP.

Mr. Munro said design services continue on the ETL suction line and ETL1 line from Moore to Krebs, and HDR is approaching seventy-five percent (75%) completion on the project. He stated the project is on schedule to be bid out in the first quarter of 2022. HDR and staff are working closely with material supply vendors regarding the availability and lead times for the project. He added that both the WFP and ETL projects look like they will be going out at around the same time. Staff will be handling the project management of the ETLs, and he said that he has asked HDR for a proposal to provide their assistance for project management of the WFP project.

Mr. Rush asked for a ballpark estimate of the increased capacity for the steel plate settlers over the current tube settlers. Mr. Munro said that it is too early to tell what the increase would be over what ALRW currently has and there would need to be more research done before he could provide an answer to the Board. He said the steel plate settlers' installation would be much more robust than the current plastic tube settlers that are currently used at the WFP. Mrs. Schnabel asked if the tube settlers was the area of the plant with different levels of filtration. Mr. Yuronich said that those are the filters, and the settlers are the blue, honeycomb-like structure, that are enclosed.

Spieth Road Water Tank Mixers: Mr. Munro said Practical Inspections, LLC began the project on November 22nd. The underground electrical portion of the project is complete. He said the contractor began pressure washing the tanks, and the initial reports on the project are very good and he expects Practical Solutions to sign off that the tanks will be good for another 5 years. He stated that this is a good example of ALRW's asset management program and staff working to extend the life of the assets.

CUE Reports & Action Items

The Chairman asked that Mr. Munro amplify the report of no rate increases for the second year in a row. Mr. Munro said that for the second year in a row Avon Lake Regional Water will not be increasing its water or wastewater rates. He showed a graphic representing the 2022 Water Rates per 1,000 Gallons. This graphic illustrated the difference between what residents of the City of Avon Lake paid for water and the amount paid by residents of various cities around Ohio.

Mr. Munro stated the water rates for Avon Lake are the lowest water rates for any city in the state of Ohio. He said it's a tremendous feat to keep a \$41-million operation and still keep the rates as low as they are, and this will be three years of the same water rate for residents of Avon Lake. The Chairman said this is a benefit to not just the residents of Avon Lake but also to the 200,000 plus customers outside of Avon Lake that get ALRW water. Mr. Munro confirmed that there are bulk customers of ALRW that have lower rates as well. Those bulk customers pay 10% more than Avon Lake residents for their water, but those customers pay for their own distribution systems and maintenance as well. He added that the budgets that were passed for

the custodial accounts, ETL1 and ETL2, there was no rate increase in those budgets either. He said that is the first time in several years without a rate increase for those budgets.

Mr. Rush said that it is good to see that the City of Avon Lake is the lowest in the state. He said he hopes the utility can maintain that for years to come. The Chairman said that while the rates are frozen, he is hoping the water is not frozen and he asked how the exercising of the water intake is going so far in 2021. Mr. Yuronich said he does not like frozen water just frozen water rates. The intake has been tested and is ready to go. Mr. Munro stated that the air burst system and the hatch have been test and are ready to go for winter and ice that occurs.

The Chairman asked if the systems are monitored for the intake to know that they are working all the time. Mr. Yuronich said that staff maintains charts of the airburst system pressure, what the temperature is and how close it is getting to freezing, and an hourly log is maintained to ensure there is no freezing of the intake. The generators and valves have been exercised to make sure the system is working properly for the winter. The Chairman said that as temperatures drop during the winter time frazzle ice is a real issue that can clog the intake. Mr. Abram said that the utility is lucky that that issue has not occurred in a few years.

Mr. Munro said the Additional Storage Building project is proceeding as planned. Part of the project was to expand the footprint at 201 Miller Road. The original fenced in area was around one acre, and that fence has been expanded and realigned through a contractor. He said that was also a supply chain issue. The original purchase order was issued in July and the order was just completed in the beginning of December. The new footprint of the fenced in area is over five acres. He said within that five acres will be the Additional Storage Building, but the area also has many of the materials that the utility uses that are stored outside. He said this will help protect those materials for security purposes. He said the Board will see that expense at the next Board Meeting. Staff reached out to six different contractors and only two quotes were provided. One contractor said he could not do work for 9-months due to the supply shortage. Mr. Munro said that staff chose the contractor that did work for the utility on Avondale and the project looks very good.

Mr. Munro said filters 17, 18, and 19 at the Water Filtration Plant are going to be under work during the winter months. Staff was planning to replace the filter media and fix some underdrain issues during the construction project at the WFP next year. However, those filters cannot wait any longer. He said the filter media is currently being vacuumed out by staff so an inspection can be conducted on the underdrain. He said he will provide the Board with a plan to the replace the filter media and fix the underdrains. This is the ideal time to do the project because the flow is lower and there will be little impact on the daily water demand. The Chairman asked if the media has any disposal aspects that need to be considered. Mr. Munro said the anthracite in the filter is razor sharp and that media will be disposed in the back of 201 Miller Rd. He said the media is not hazardous and could potentially be used as a fill.

Mr. Munro said there is a supply chain issue with the certain distribution supplies. Valves and fittings have a 16 to 20-week lead time before they are being delivered. He said the material list for the crossings on Lake Road project has been created, and staff has begun ordering those materials through a purchase order for the project that will be bid in December. These materials should arrive in the first quarter of 2022 so staff will not be holding up any paving plans on Lake Road. The Chairman asked if there was any opportunity to put across a carrier for pipes for storm drainage to avoid any future unnecessary cuts to the planned new paving on Lake Road. Mr. Munro said that he and Mr. Gaydar did meet with the Public Works Director, Joe Reitz, and that was suggested but Mr. Reitz has declined to install any additional pipes for future projects.

The Chairman asked if staff could plan for those pipes for future projects and make provisions for them. Mr. Munro said that staff will do that.

The Chairman said that plans should be made for the future, and there is a well-known storm drainage problem to the south of Lake Road. He stated that before there is a new paving job on Lake Road now would be the time to make provisions for pipes and drains so future cuts across the road don't need to be made after the new paving job.

Mr. Munro informed the Board that on November 18th the annual consortium meeting was held with all of the members of the consortium. He said the Chairman was present at the meeting at Rural Lorain County Water Authority, and the meeting went very well. He said the 2022 Budgets were presented and the funding mechanism for the ETL project was discussed. He said the consortium members will meet again at the end of January/beginning of February to start discussing amendments to the current agreements, because the construction will require amendments with each of the members.

Mr. Munro said he attended the collective committee meeting at City Council. He said the job description and salary range for the Facility Asset Manager was discussed. It was received well and it will be moving forward on Monday, December 13 to be passed by City Council. He said once that it is passed an individual will be put in that position.

Member Reports

The Chairman said next week that he, Mr. Rush, Mr. Munro, and a consultant will be interviewing three candidates for the open Chief of Utility Operations position. He said he looks forward to permanently filling that job. The Chairman also said that in the unexpected passing of Mr. Phillips the Board will be seeking candidates to fill the open Board seat. Any interested candidates can forward their curriculum vitae to Mr. Munro. He said he would like to have a list of individuals by the end of the next week. The Board is deeply saddened by the loss of Mr. Phillips, but the Board has a job to do and therefore they will need to replace the Board seat.

Miscellaneous

Mr. Abram said that Congress passed the \$1-trillion infrastructure bill, and there was supposed to be money in the bill for water systems. Mr. Munro said that the language is still unfolding and he was provided with a brief legislative update from the AWWA. He stated that he will be monitoring the bill closely and he will seek any type of funds that would benefit ALRW. Mr. Abram said that grant money would be very helpful to the utility.

Public Speakers

None.

Executive Session

Mr. Rush moved, and Mr. Dzwonczyk seconded, to meet in executive session as allowed by ORC §121.22 G (1) & (3) to discuss compensation of public employees and legal matters and to include the CUE.

Ayes (per roll-call vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

Adjourn

As there was no further business, Mr. Abram moved to adjourn, and Mr. Dzwonczyk seconded. The meeting adjourned at 8:05 PM.

Ayes (per voice vote): Abram, Dzwonczyk, Rush, and Schnabel.

Nays: None

Motion carried.

Approved _____ 2021.

John Dzwonczyk, Chairman

Robert Munro, Clerk